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## U.S. Free Trade Agreements in the Middle East

The United States and Oman completed negotiations on a Free Trade Agreement on October 3, 2005. Oman will provide immediate duty-free access for U.S. agriculture exports in 87 percent of agricultural tariff lines. Oman is the fifth Middle Eastern country to have negotiated a Free Trade Agreement with the United States, following agreements with Israel, Jordan, Morocco and Bahrain.

The U.S.-Israeli FTA was enacted in 1985 and Congress implemented an FTA with Jordan in 2001. The U.S. signed an FTA with Morocco in 2004, which was approved by the U.S. Congress in 2005, and should go into effect January 2006. The Bahrain FTA is working its way through the Congress.

The U.S. is also negotiating an FTA with the United Arab Emirates and has signed eight Trade and Investment Framework Agreements (TIFA) with Middle East nations. The Governments of Bahrain, Kuwait, Oman, Qatar and the United Arab Emirates form the Arab Gulf Cooperation Council (GCC). The GCC enacted a universal UCL (Unified Customs Law and Single Customs Tariff) for its members in January 2003.

Source: Office of the United States Trade Representative, USDA Foreign Agricultural Service

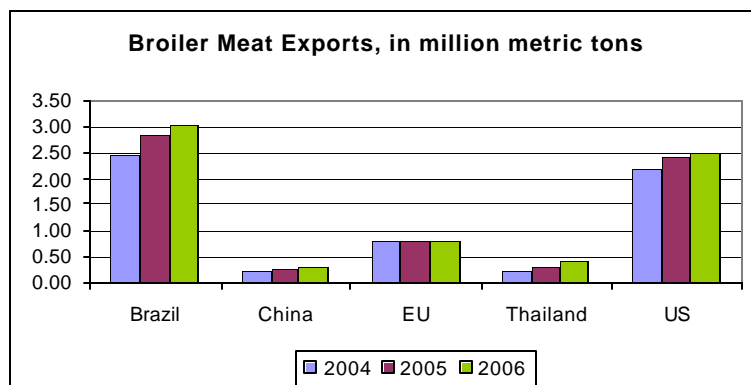
## U.S. Poultry Meat Exports, H.S. 0207 to GCC5, in metric tons

	January- December				January-July	
	2001	2002	2003	2004	2004	2005
Bahrain	1,587.8	1,590.0	1,255.8	1,137.1	620.7	321.9
Kuwait	1,127.1	843.3	6,463.2	7,383.3	4,519.3	8,318.9
Oman	2,723	952.6	706.7	315.6	91.6	302.2
Qatar	379.6	722.2	599.1	366	117.2	482.1
UAE	21,575.5	14,016.2	23,090.4	11,732.5	6,253.1	4411.0
Total	27,393.0	18,124.3	32,115.3	20,934.6	11,602.0	13,836.1

Source: Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics

## Mexico Lifts LPAI Restrictions

On October 5, 2005 the FSIS Library of Export Requirements posted changes for the Export Requirements for Mexico.



## U.S. Shell Egg and Egg Products Exports

U.S. exports of shell eggs and egg products rose to 103.2 million dozen during the first 6 months of 2005 compared with 61.6 million dozen during the same period in 2004. Lower shell egg prices, the lifting of restrictions imposed by many countries following outbreaks of AI in the U.S. in 2004, and some trade diversions following outbreaks of AI in several Asian countries all led to higher U.S. exports for the first half of this year.

Processed egg products exports grew 125 percent, compared to a 37-percent increase for shell-egg exports (hatching and table eggs). Exports of processed egg products (in-shell egg equivalent) to Asia rose from 6.7 to 25.4, with 80 percent going to Japan. U.S. processed eggs shipped to the Philippines rose from 1,700 dozen in the first 6 months of 2004 to 349,000 dozen in 2005.

Table egg exports increased 71 percent while hatching egg shipments rose 9 percent. During the first 6 months of 2004, the major share of U.S. table egg exports went to Canada (71 percent). But this share decreased to 40 percent in 2005, while Asian countries' shares rose from 23 to 29 percent.

Hong Kong was the largest export market for U.S. table eggs, receiving 11.4 million dozen in 2005, up from 3.9 million in the first 6 months of 2004. U.S. table-egg shipments to Japan also increased to 3.1 million dozen during the first half of 2005, compared with only 37,000 dozen in all of 2003, and none in all of 2004. This U.S. table-egg shipment constitutes the largest export quantity to Japan in a 15-year period for a first-half year.

U.S. table-egg exports to China were up to 856,000 dozens in the first half of 2005, compared with 354,000 in the first half of 2004. Likewise, table-egg exports to Latin America and the Caribbean increased nearly fourfold, reaching about 2 million dozen during the same time.

U.S. hatching egg exports were up 8 percent in the first half of 2005 compared with the same period a year earlier. Traditionally, most hatching eggs were exported to NAFTA countries. However, in 2005, shipments to Latin American countries exceeded those to NAFTA countries (41 versus 37 percent of U.S. total hatching egg exports). The shift was mainly due to exceptionally large shipments to Brazil, 2.3 million dozen compared to 390,000 for the same period in 2004.

## Production Forecasts in million dozens

	2001	2002	2003	2004	2005	2006
Table Eggs	6,078	6,190	6,207	6,365	6,405	6,540
*Prices	67.20	67.10	87.90	82.20	63-64	63-68

\*New York, cents/dozen

For 2006, U.S. egg exports are forecast about the same as 2005, due to competitive U.S. prices, high quality, and several restrictive measures imposed on layer flocks in the European Union-25.

Source: Economic Research Service, USDA

**Inspected Egg Products-U.S. & Canada Export/Import Trade****U.S. Exports to Canada, in Pounds (000) (Preliminary)**

Week Ending October 01, 2005	Year-To-Date			
TYPE	2005	2004 1/	2005 2/	2004
Liquid	358	374	13,118	13,027
Frozen	0	0	130	11
Dried	0	56	490	549
Total	358	430	13,738	13,587

**U.S. Imports From Canada, in Pounds (000) (Preliminary)**

Week Ending October 01, 2005	Year-To-Date			
TYPE	2005	2004 1/	2005 2/	2004
Liquid	145	98	5,325	6,875
Frozen	0	40	708	1,366
Dried	0	0	371	1,853
Total	145	138	6,404	10,094

**Inspected Shell Eggs****U.S Exports To Canada, In 30-Dozen Cases (Preliminary)**

Week Ending October 01, 2005	Year-To-Date			
TYPE	2005	2004 1/	2005 2/	2004
Jumbo	17	0	179	378
Extra Large	2,650	6,230	166,775	150,164
Large	3,970	14,980	258,118	309,760
Medium	2,070	2,826	84,265	100,699
Ungraded	12,330	6,696	142,594	244,662
Misc	0	0	8,053	16,790
Total	21,037	30,732	659,984	822,453

1/ Comparable Week, to-date figures may not total due to rounding.

2/ Includes revisions to previous week(s).

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section  
Source: USDA/AMS Poultry Programs, Market News Branch.**CENTRAL REGION MECHANICALLY SEPARATED CHICKEN**

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

Oct 07, 2005

**CHICKEN WITH SKIN ADDED**

--- PRICES ---		---- VOLUME ----		
FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	-	22.00	40,800	-
WTD AVERAGE		22.00		
15-20%				
RANGE	16.00-27.00	14.00-22.00	2,264,400	816,000
WTD AVERAGE	19.80	17.15		
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

\* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

**U.S./Canadian Live Poultry Slaughtered Under Inspection**

W/E 1-Oct-05 (PRELIMINARY)

**U.S. Fowl Slaughtered Domestically**

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	1,250	1,132	2,382
Last Week	1,229	1,529	2,758
Same week yr ago	1,416	1,573	2,989
To-date/2005	57,272	55,149	112,421
To-date/2004	53,304	52,490	105,794

**U.S. Fowl Slaughtered in Canada**

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	218	0	218
Last Week	367	0	367
Same week yr ago	410	0	410
To-date/2005	10,340	40	10,380
To-date/2004	9,604	90	9,694

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section

**Total U.S. Fowl slaughtered in the U.S. and Canada**

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	1,468	1,132	2,600
Last Week	1,596	1,529	3,125
Same week yr ago	1,826	1,573	3,399
To-date/2005	67,612	55,189	122,801
To-date/2004	62,908	52,580	115,488

Source: USDA/AMS Poultry Programs, Market News Branch

**EASTERN REGION MECHANICALLY SEPARATED CHICKEN**

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

Oct 07, 2005

**CHICKEN WITH SKIN ADDED**

--- PRICES ---		---- VOLUME ----		
FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	19.50	20.00-21.00	556,000	156,000
WTD AVERAGE	19.50	20.50		
15-20%				
RANGE	16.00-21.00	13.50-23.00	1,569,000	728,000
WTD AVERAGE	19.00	16.32		
20% OR MORE				
RANGE	-	14.00	80,000	-
WTD AVERAGE		14.00		

\* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

**NATIONAL YOUNG TURKEY PARTS AND BULK MEAT, FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 7 OCTOBER 2005.**

The market tone was steady to firm on white meat with some isolated caution noted. Demand light to good, mostly moderate to good. Some export interest was noted on frozen scapula. Offerings of white meat were short to instances light. The market tone on thigh meat was steady to firm. Demand moderate for the light offerings. The market tone on mechanically separated turkey was steady on fresh; frozen fully steady to barely steady, mostly steady to barely steady. Trading was active on white meat for domestic shipments, moderate on tom drums for export deliveries, balance light. For domestic: breeder hen drums 44, fresh wing meat with skin 88-89, frozen Grade A 15-17 lb. WOGs 90, fresh scapula 127, Grade A basted 8-10 lb. breasts 130, Grade A basted 12-14 lb. breasts 170, fresh breast trim 174 cents delivered. For export: breeder hen drums 40, fresh tom drums 44-45.50 cents delivered.

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>	<b>WEEKLY</b>	<b>WEEKLY</b>
<b>FRIDAY, OCTOBER 07, 2005</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS	45.00		45.00	156	45.10	288
WINGS FULL-CUT - TOMS		R	42.57	280	42.57	280
WINGS, V-TYPE, TOM		F	41.50	624		
TAILS		M	31.00	40	31.00	40
MECHANICALLY SEPARATED 2/	26.00		26.00	40	26.00	90
THIGH MEAT - FROZEN	94.00-98.00		96.00	80	94.46	716

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>THURSDAY, OCTOBER 06, 2005</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS	44.00		44.00	52
WINGS FULL-CUT - TOMS	42.00-43.00		42.57	280
WINGS, V-TYPE, TOM		F	41.50	624
TAILS		M	31.00	40
MECHANICALLY SEPARATED 2/		W	26.00	50
THIGH MEAT - FROZEN	94.00-95.00		94.56	360

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>WEDNESDAY, OCTOBER 05, 2005</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS	47.00		47.00	40
WINGS FULL-CUT - TOMS		W	36.26	316
WINGS, V-TYPE, TOM		F	41.50	624
TAILS		M	31.00	40
MECHANICALLY SEPARATED 2/	26.00		26.00	50
THIGH MEAT - FROZEN	95.00		95.00	40

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>TUESDAY, OCTOBER 04, 2005</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS		M	45.00	40
WINGS FULL-CUT - TOMS		W	36.26	316
WINGS, V-TYPE, TOM		F	41.50	624
TAILS		M	31.00	40
MECHANICALLY SEPARATED 2/		F	23.07	184
THIGH MEAT - FROZEN	92.00-100.00		93.63	196

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>MONDAY, OCTOBER 03, 2005</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS	45.00		45.00	40
WINGS FULL-CUT - TOMS		W	36.26	316
WINGS, V-TYPE, TOM		F	41.50	624
TAILS	31.00		31.00	40
MECHANICALLY SEPARATED 2/		F	23.07	184
THIGH MEAT - FROZEN	94.00		94.00	40

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY

2/ Product contains 15-20% fat with skin added.